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8 Attorneys for Plaintiffs
THOMAS WEISEL PARTNERS LLC and
9 THOMAS WEISEL INTERNATIONAL
PRIVATE LIMITED
10

11 UNITED STATES DISTRICT COURT
12 NORTHERN DISTRICT OF CALIFORNIA
13 SAN FRANCISCO DIVISION
14

15 THOMAS WEISEL PARTNERS LLC, a
16 Delaware limited liability company, and
THOMAS WEISEL INTERNATIONAL
PRIVATE LIMITED, an Indian company,
17

18 Plaintiffs,

19 v.

20 BNP PARIBAS, a French corporation, BNP
PARIBAS SECURITIES (ASIA) LIMITED,
21 a Hong Kong company, and PRAVEEN
CHAKRAVARTY, an individual,
22

23 Defendants.
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27
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No. C-07-6198 MHP

Action Filed: December 6, 2007

DECLARATION OF DON MAHON IN
SUPPORT OF PLAINTIFFS'
CONSOLIDATED OPPOSITION TO
DEFENDANTS' MOTIONS TO
DISMISS THE FIRST AMENDED
COMPLAINT

Date: August 18, 2008
Time: 2:00p.m.
Place: Courtroom 15
Judge: Hon. Marilyn Hall Patel

REDACTED

1 I, Don Mahon, declare:

2 1. I am Vice President of Compliance for Thomas Weisel Partners LLC ("TWP
3 LLC"). I have been employed in that position since May 2007. My other securities industry
4 experience includes five years of sales supervision in institutional sales at TWP, and
5 additional experience in Research Editorial and Institutional Sales. At TWP LLC, a part of
6 my daily compliance and previous sales supervision reviews includes the review of trades
7 and commissions for TWP LLC Institutional Clients, as well as extensive business analysis
8 in the sales supervisory role at TWP LLC. As part of my business analysis, I periodically
9 review reports from TWP LLC's outside consultants that show the commission rates of other
10 broker-dealers that are TWP LLC's competitors. As a result of this experience, I am very
11 familiar with the commissions that broker-dealers charge for executing trades for
12 institutional clients. I am also familiar with TWP LLC's current commission structure.
13 TWP LLC and its competitors have roughly comparable commission structures.

14 2. The commission rate on stock trades executed for institutional investors—for
15 example, hedge funds, mutual funds, pensions or sovereign wealth funds—varies according
16 to many factors including: the liquidity and/or price of the stock that is traded; whether the
17 shares are manually traded or entered into a computer; the risk associated with the trades
18 (principal versus agent), and whether the rate is pre-negotiated with a customer based on an
19 ongoing relationship, or other factors such as general industry trends surrounding
20 commission rates.

21 3. NASD rules and interpretive materials provide that, absent special circumstances,
22 the maximum commission rate a Financial Industry Regulatory Authority ("FINRA")
23 member broker-dealer like TWP LLC can charge is 5 percent.

24 4. In my experience, however, broker-dealers generally charge their institutional
25 customers commissions considerably lower than five percent.

26
27 **REDACTED**
28

REDACTED

5. Given knowledge of a commission rate and commission amount, one can easily determine the gross transaction value of the trade or trades. The relationship between commission rate and gross transaction value is inversely proportional—i.e., for a given dollar amount of commission revenue, the lower the commission rate, the higher the gross transaction value of the trades on which the commissions are paid (and vice versa). If a broker-dealer's commission revenue from certain trades is \$1 million and its commission rate is 5%, the total transaction value of the trades is 20 times revenues, or \$20 million. If a broker-dealer earns the same \$1 million in commission revenue but its commission rate is only 1%, 1/5th the rate of the previous example, then the gross transaction value of the trades was five times higher—100 times revenues, or \$100 million. The same inversely proportional relationship holds for the lower commission rates more typically charged by broker-dealers: a commission rate of .25% (25 basis points) would mean that the total transaction value of the trades was 400 times the commission revenue; a commission rate of .1% (10 basis points) would mean that the total transaction value of the trades was 1000 times the commission revenue; and a commission rate of **CTED** — comparable to the TWP LLC three month trailing average described *z* — would mean

REDACTED

that the total transaction value of the trades was about times the commission revenue.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this ___ day of July 2008 at _____, California

[EXECUTED SIGNATURE PAGE WITHOUT FORMATTING FOLLOWS]

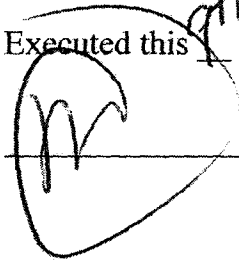
HOWARD
RICE
NEMEROVSKI
CANADY
FALK
& RABKIN
A Professional Corporation

REDACTED

that the total transaction value of the trades was about times the commission revenue.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 14th day of July 2008 at Visalia, California

A handwritten signature, possibly reading "M", is written over a horizontal line.